

**Issues and Strategies for Measuring and Improving  
MMC Plan Performance for Racial/Ethnic Minorities:  
A Medicare Managed Care CAHPS® Report—Final Report**

**Purpose:** The Medicare Managed Care (MMC) Consumer Assessment of Health Plans Study (CAHPS®) surveys were created to obtain information from enrollees in Medicare managed care plans. They have been conducted annually since 1997. Respondents are asked questions concerning their assessment of the performance of their plans and providers, their overall health status, health conditions, and health system utilization in the last six months. Results from the 1997, '98, and '99 surveys were aggregated and analyzed to examine the need for and to identify strategies that could be used by the Centers for Medicare and Medicaid Services (CMS) to measure performance of MMC plans in serving racial/ethnic minority members and develop approaches to improving the quality of care for these populations. Specifically, the approach taken for this study relied on the analysis of differences in experiences reported by racial/ethnic subgroup populations enrolled in MMC plans in order to: 1) identify potential areas of concern in plan service to these subgroups; 2) develop additional performance measures that potentially could be used by CMS to assess health plan service to enrollees who are members of these subgroups; and 3) recommend strategies for encouraging MMC plans to improve quality of care and service to these subgroups.

**Results:** For each survey, a random sample of 600 MMC enrollees was drawn for most plans that had MMC contracts (except for a few plans with small enrollment for which all eligible enrollees were surveyed). The following racial/ethnic groups were identified for this analysis: White (non-Hispanic/Latino); Black or African-American (non-Hispanic/Latino); Asian (non-Hispanic/Latino); Native Hawaiian/Pacific Islander (non-Hispanic/Latino); American Indian/Alaska Native (non-Hispanic/Latino); and Hispanic/Latino (any race). As stated above, three years survey data were combined, or aggregated. This purpose of combining the data was to increase the sample size for some of the smaller racial/ethnic groups. This study yielded the following findings:

1. Potential Areas of Concern in Plan Service to Racial/Ethnic Subgroups

- MMC plans, in general, are meeting the needs of their racial/ethnic minority members.
  - Overall, most minority enrollees give their health plans good ratings that are not significantly different than non-minority members.
  - Minority members are more likely than non-minority members to report that their health has improved in the past year.

- Minority members have more difficulty obtaining access to some services.
- Minority enrollees are less likely to have visited their regular provider, even when accounting for health conditions.
- Minority enrollees are less likely to visit a specialist.
- Minority enrollees are more likely to be hospitalized or use Emergency Room services.
- Minority enrollees are more likely to report “fair” or “poor” health status.

## 2. Issues and Strategies for Designing MMC Plan Performance Measures in Meeting Needs of Racial/Ethnic Minority Enrollees

- Certain issues make it difficult to design performance measures:
  - Small numbers of minority members are enrolled in individual health plans. As a result, a survey sample (to measure MMC plan performance) is unlikely to include more than a few members of any one minority group at the individual health plan level.
  - Data are incomplete on racial/ethnic identity of individual Medicare beneficiaries in the Medicare Enrollment Data Base (EDB), making it difficult to ensure that broad measurement strategies would capture the universe of specific racial/ethnic group enrollees in health plans; and only limited encounter data are reported by health plans, which would restrict broad measurement strategies to examine hospitalization rates.
  - Costs of a mandated, plan-specific performance measurement strategy would likely be high and would likely produce limited information, since most MMC plans have only small numbers of racial/ethnic minority group members.
- There are feasible strategies that would allow CMS to measure performance of MMC plans in serving racial/ethnic minority enrollees:
  - The relatively small number of enrollees of each racial/ethnic minority group in individual health plans suggests that the most feasible strategies are to:

- 1) Examine performance of individual health plans in serving all minority members combined, rather than individual racial/ethnic groups.
  - 2) Measure aggregate performance of MMC plans in serving minority members in more detail to identify common areas of concern raised by racial/ethnic minorities in MMC plans.
  - 3) Compare performance of MMC plans in serving minorities with performance of the original Medicare program in serving minorities.
- Four potential strategies for measuring performance of MMC plans in serving minority enrollees that rely on Medicare CAHPS data are:
    - 1) Develop individual health plan measures of performance, using MMC CAHPS data, stratified by White and Other Racial/Ethnic Group.
    - 2) Augment the MMC CAHPS to obtain additional information from racial/ethnic minority enrollees.
    - 3) Conduct analyses of Disenrollment CAHPS survey data to assess difference between minority disenrollees and majority disenrollees on ratings of specific dimensions of performance.
    - 4) Conduct analyses comparing MMC CAHPS responses and ratings with Fee-for-Service CAHPS responses and ratings.
  - As racial/ethnic identifiers on the Medicare EDB become more complete and accurate, CMS might want to utilize the EDB to:
    - 1) Examine enrollment rates of minority Medicare beneficiaries in each health plan, relative to the minority population in the health plan's market area.
    - 2) Examine voluntary disenrollment rates of minority enrollees, relative to voluntary disenrollment rates of non-minority enrollees.
  - CMS might also wish to conduct studies using a "mystery shopper" approach to test whether providers are as likely to refer minority patients for specialist appointments and other services.

### 3. Issues and Strategies for Encouraging MMC Plans to Improve Quality of Care and Service to Racial/Ethnic Minorities Enrolled.

- There would be significant costs to MMC plans if it were mandated that they must meet extensive new requirements to improve performance in serving minority enrollees.
  - The recent history of the MMC program has been one of substantial numbers of plans withdrawing from participating in the program.
  - Imposing new requirements and costs would likely result in some MMC plans withdrawing from Medicare participation, even though their minority members are generally satisfied with most aspects of the care they receive from their plans.
- Strategies developed to improve performance of MMC plans in serving their minority enrollees should focus on:
  - Developing tools that could be voluntarily adopted by MMC plans;
  - Feedback to health plans on performance measures that provide information on how minority members fare in specific health plans; and
  - Incentives to encourage health plans to improve the process (including access) in ways that would result in increased use of services and better outcomes for minority members.
- CMS could develop the following tools to be adopted voluntarily by MMC plans that wish to address specific areas of performance that are most relevant to minority members:
  - Cultural competency training programs for health plan providers and staff.
  - Outreach/education programs targeted at informing minority members about the importance of preventive care and routine visits to primary care physicians.
  - “Best Practices” programs to address specific health conditions that disproportionately affect minorities.
- CMS could provide health plans with 10 percent or more minority enrollment results from the MMC CAHPS surveys, with national

and regional comparisons of data broken out by minority enrollees (combined) and non-minority enrollees.

- CMS could offer incentives and rewards, such as financial bonuses, to MMC plans that develop and/or implement specific programs and practices to improve performance in serving racial/ethnic minorities.
  - Alternately, health plans demonstrating improved performance in serving minority members could be exempted from certain kinds of regulatory/reporting requirements.